LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6900 NOTE PREPARED: Dec 29, 2003

BILL NUMBER: HB 1127 BILL AMENDED:

SUBJECT: Municipal Riverfront Restaurant Permits.

FIRST AUTHOR: Rep. Harris BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> This bill provides that if an applicant for an alcoholic beverage permit for a restaurant in a municipal riverfront development project already holds a retailer's permit for the premises, the applicant is not eligible for the special permit.

Effective Date: July 1, 2004.

Explanation of State Expenditures:

<u>Explanation of State Revenues:</u> Permit Fee Revenue: This provision could cause a negligible reduction in the number of alcoholic permits obtained by restaurants in a municipal riverfront development project. Permit revenue is deposited in the Alcoholic Beverage Commission's Excise Fund. One-third of the revenue deposited into the Excise Fund from permit fees is distributed to the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Permit Fee Revenue:* If fewer alcoholic beverage permits are issued, revenue to local units would also decrease. Two-thirds of the Excise Fund revenue from alcoholic beverage permit fees is distributed to the general fund of cities, towns, and counties based on population. Any impact would be negligible.

State Agencies Affected: Alcohol and Tobacco Commission.

Local Agencies Affected:

HB 1127+

Information Sources:

Fiscal Analyst: John Parkey, 317-232-9854.

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